Sustainability
Report 2024

BW
Epic Kosan
Delivered with CARE

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Introduction

1.1
About BW Epic Kosan

BW Epic Kosan Ltd ('BW Epic Kosan' , 'BWEK' or the 'Company') is a company specialising in the last-mile delivery of liquefied petroleum gas ('LPG'), petrochemicals, and other speciality gases.

BW Epic Kosan plays a vital role in supplying the world with LPG, an exceptional and essential energy, which is a clean-burning and versatile fuel. We specialise in safely and efficiently delivering it over the last mile to our customers around the globe.

BW Epic Kosan owns and operates a fleet of small gas carriers, managed from its headquarters in Singapore, with a regional office in Copenhagen and teams in Manila and Tokyo. The Company controls a fleet of 48 vessels serving the international supply chains of oil majors and commodity traders in Asia, Europe, Middle East, Africa, Australasia, and the Americas.

The Company has commercial and technical capabilities in pressurised, semi-refrigerated, refrigerated gas, and petrochemical transportation. It conducts over 2,500 cargo operations annually, transporting 4.2 million tonnes between 247 different ports worldwide.

As an owner and operator of vessels engaged in the global delivery of cleaner energy, BW Epic Kosan aims to enhance its environmental, social, and governance performance. The Company's values are Collaborative, Ambitious, Reliable, and Enduring (CARE). Its ESG vision focuses on providing safe and sustainable seaborne transportation of gases in a lower-carbon world. The Company prioritises long-term economic performance, strong business ethics, and invests in training and development for employee health, safety, and security.

BW Epic Kosan seeks to achieve these goals through a focus on safety, inclusive growth, innovation, and environmental conservation. The Company aims to build its business around areas that will drive long-term positive impacts for the environment and stakeholders.

1.2
About this Report

Reporting scope
This document is BW Epic Kosan's standalone Sustainability Report. It outlines the Company's sustainability approach and governance, detailing performance and progress in environmental, social, and governance (ESG) activities annually. The Report aims to communicate commitments to achieving sustainability goals and adheres to transparent reporting standards. It covers BW Epic Kosan's business operations in Singapore, Copenhagen, Manila, and Tokyo. The reporting period for ESG-related activities is from 1 January 2024 to 31 December 2024 (FY 2024).

Reporting standards
BW Epic Kosan has compiled the Report in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards. The GRI Standards were selected for their universal applicability and versatile usability. This enables us to comprehensively communicate our sustainability performance and impacts to all stakeholders. The GRI content index is located in the Appendix.

The Report makes references to the United Nations Sustainable Development Goals ('UN SDGs'). Adopted by the UN General Assembly in 2015, the SDGs represent an ambitious global agenda to achieve a sustainable future by 2030. BW Epic Kosan aims to be an integral part of a sustainable energy future in which the products we transport play an important role. Therefore, we support the principles of the UN SDGs and understand the urgent need for a unified approach across borders and industries. In this regard, we have mapped our material topics to five UN SDGs deemed most relevant to our business, specifically UN SDGs 3, 7, 8, 13 and 16 (as shown in Table 2 in Section 2.2).

The Report has not been externally assured. BW Epic Kosan has made every effort to ensure that the information presented here is accurate and will consider external assurance in the future.

Feedback
At BW Epic Kosan, we believe continuous engagement with our stakeholders will help us and our subsidiaries (collectively, 'the Group') to enhance our sustainability policies, practices, performance and disclosures.

Any feedback and/or suggestions about this Sustainability Report may be directed to: communications@bwek.com.

1.3

Letter from our CEO

A fit-for-purpose sustainability strategy requires us to take ambitious, actionable steps to deliver on long-term outcomes for all our stakeholders. Driven by our ingenuity to deliver, we are ever more committed to contributing to a more sustainable world.

In this report, we deliver an update on how we are managing sustainability, ashore and afloat, addressing any impacts arising from our business operations and communicating our sustainability efforts and progress.

Our active approach to sustainability is rooted in our Company's Vision, Mission, and Values, which inform our ESG Vision: 'We strive with CARE, to provide safe and sustainable seaborne transportation of gases in a lower-carbon world. We are focused on long-term economic performance, built on strong business ethics, and invest in our people through training and development to ensure good health, safety, and security.' The word 'CARE' is part of our Values, and stands for Collaborative, Ambitious, Reliable and Enduring.

We have a cross-Company team focused on sustainability, representing those ashore and afloat. This team reports to our CEO, and comprises our Chief Financial and Commercial Officers, Technical Director, and HR Director, alongside key executives with different backgrounds and expertise. This ensures that our sustainability strategy delivers meaningful outcomes and sound progress against our monthly and annually reviewed targets.

Understanding and addressing our stakeholders' concerns is vital as we work towards achieving our sustainability goals. To this end, our materiality assessment identifies seven material topics. This allows us to focus our efforts on the most pertinent issues, ensuring that our sustainability strategy is aligned to our wider business goals, for instance in concluding sustainability linked loans with our financing banks, using a sustainability-linked margin adjustment.

Crew safety remains a top priority for us. To enable greater control over the quality of our ships and service reliability, we offer our customers our in-house fleet management that drives health, safety, quality, and environmental focus afloat. We are focused on zero harm, safety, and the successful delivery of improvements in working practices. In FY 2024, our lost time incident rate (LTIR) was 0.27 days per million hours worked in the year, compared with 0.38 and 0.23 in FY 2023 and FY 2022, respectively. This performance is underpinned by our investments in training and risk management, and the policies of our Safety Management System. Notwithstanding this, we will continually seek new ways to improve seafarers' lives, enhance their mental and physical health, and raise the profile of their essential work. This will be important in the long-term challenge of attracting future talent to meaningful careers at sea.

Within our crewing operations, and attracting future talent, we also highlight our commitment to diversity at sea, with an ongoing increase in female seafarers as a percentage of our total seafarers in employment from 1% in FY 2021 to 3% in FY 2024.

The maritime industry is undergoing a transformative period to decarbonise. In July 2023, the IMO adopted a revised 2023 IMO GHG Reduction Strategy with higher levels of GHG reduction targets to be achieved by 2030 and 2040, and a net-zero GHG emissions target by 2050, at the latest. We are striving to achieve the IMO targets ahead of their deadlines. Effective 1 January 2024, our ships trading in the European Union (EU) region are complying with the EU's Emission Trading System (ETS). The EU ETS

"

Holding ourselves to the highest ethical standards is both a business and moral imperative, and our stakeholders expect us to conduct our business responsibly. We are committed to strong corporate governance, economic performance, sound internal controls, transparency, business ethics and cybersecurity, with accountability to all stakeholders.

"

1.3
Letter from our CEO (cont.)

is a cap-and-trade system that is a market-based-measure for reducing GHG emissions, aligned with the EU's "Fit for 55" package. Further, we are ready to comply with reporting for FuelEU Maritime over 2025, which commences the transition to less carbon-intensive marine fuels. Our sustainability, efficiency, technical, commercial, and senior management teams are well attuned to these and longer-term decarbonisation challenges and are committed to reducing our emissions.

We have several measures in hand, including:

- Renewing our fleet with younger, larger, and more efficient ships, which help to reduce our carbon intensity.
- Assessing and adopting innovative energy efficiency technical retrofits (such as silicone hull paints, fins, ducts and new propellor designs) as we have done for several years.
- Trading our ships efficiently for high laden-to-ballast utilisation.
- Investing in robust data capture and using big data to improve efficiency over time, including implementing energy-saving measures such as fuel-efficient routing, slow steaming, and just-in-time arrivals through cross-Company data systems and
- Engaging in collaborative solutions with our customers, tonnage providers, ports, shipyards, and other key stakeholders.

Our year-on-year emissions have decreased from an AER of 23.01 to 20.63 gCO2/DWT-nautical miles, as consequence of the measures above. We are committed to lowering our emissions further.

At the end of 2024, our average vessel size was 8,683cbm, an increase of 8.6%, whilst the average age of our fleet at 12.9 years was managed to an increase of 0.7 years higher, both as compared to 2023.

Holding ourselves to the highest ethical standards is both a business and moral imperative, and our stakeholders expect us to conduct our business responsibly. We are committed to strong corporate governance, economic performance, sound internal controls, transparency, business ethics and cybersecurity, with accountability to all stakeholders. This includes our use of EthicsPoint (adopted in 2023) to facilitate the confidential reporting of concerns in respect to possible breaches of ethics or standards of professional conduct.

Collaboration is also key to driving sustainable development, as we share knowledge and best practices that benefit the industry. We are convinced that the industry must strengthen collaboration and act now to work towards a more sustainable future. In this regard, we are represented in, and partners with, organisations and associations including Intertanko, the Maritime Anti-Corruption Network, the World Liquid Gas Association, Singapore Maritime Foundation and Singapore Shipping Association. We also work with other industry stakeholders including customers, classification societies, engine manufacturers, financing banks, insurers, and shipyards.

Our vision for the future is ambitious. But we are confident that our people, values, assets, strategies, and financial health are well positioned to help us provide safe and sustainable seaborne transportation of gases in a lower-carbon world.

As we continue to advance our sustainability journey, we would like to extend our appreciation and gratitude to all our stakeholders and employees for their continued support.

Charles Maltby
Chief Executive Officer

1.4
Key ESG Highlights

Emissions

ANNUAL EFFICIENCY RATIO ('AER')
20.63g CO2/DWT-NM
(2023: **23.01g CO2/DWT-NM)

ENERGY EFFICIENCY OPERATIONAL INDICATOR ('EEOI')
76.2g CO2/tonne-NM
(2023: **82.83g CO2/tonne-NM)

CO2 EMISSIONS
393,790 metric tonnes
(2023: **439,849 metric tonnes)

NOx EMISSIONS
9,398 metric tonnes
(2023: 10,741 metric tonnes)

SOx EMISSIONS
970 metric tonnes
(2023: **1,099metric tonnes)

Training and Development

AVERAGE TRAINING
20.44hrs per seafarer
(2023: 17.1hrs per seafarer)

Ecological Impact and Compliance

SPILLS AND ACCIDENTAL RELEASES TO THE ENVIRONMENT
0
(2023: 0)

COMPLIANCE WITH INTERNATIONAL CONVENTION FOR THE PREVENTION OF POLLUTION FROM SHIPS ('MARPOL')
100%
(2023: 0)

Governance

NON-COMPLIANCE WITH RELEVANT NATIONAL AND INTERNATIONAL LAWS AND REGULATIONS
0
(2023: 0)

Safety

LOST TIME INCIDENT RATE ('LTIR')
0.27
(2023: 0.38)

TOTAL RECORDABLE CASE FREQUENCY ('TRCF')
1.40
(2023: 2.26)

Cybersecurity

SIGNIFICANT CASES OF CYBER BREACHES
0
(2023: 0)

Diversity and Equality

***FEMALE CADET PROGRAMME**
37 female cadets
(2023: 37)

FEMALE SEAFARERS
***3.3% of total pool**
(2023: *3.0% of total pool)

NUMBER OF NATIONALITIES ASHORE AND AFLOAT
25
(2023: 27)

* Met our KPI for sustainability-linked loans
** Amended (as reported in the FY 2023 Sustainability Report) to match Class verified data.

2.0

Sustainability Approach and Strategy

2.1

Government Structure and Strategy

The sustainability strategy of BW Epic Kosan is guided by a robust governance framework that ensures the integration and implementation of ESG initiatives in accordance with the Company's business strategy (Figure 1).

The Board of Directors oversees the Company's ESG efforts, with the Audit Committee managing ESG issues according to specific guidelines. This includes monitoring the ESG strategy, performance, and risks. Management decides on sustainability strategies and regularly updates the Board and Audit Committee on ESG matters. A dedicated ESG team, with members from various departments (Finance, Fleet Performance, Technical Fleet Management, Purchase, Commercial Operations, and Human Resources), integrates ESG considerations into all business aspects. This team develops and coordinates sustainability programmes and initiatives*.

BW Epic Kosan's sustainability strategy is based on three pillars: environment, social, and governance, guided by the GRI Standards and UN SDGs, as shown in Figure 2.

*In FY 2022, the Audit Committee and our employees attended two ESG training sessions hosted by KPMG Services Pte Ltd. The Audit Committee was informed of key regulatory developments and market expectations on ESG. Our employees have attended a foundation training on ESG, including key concepts of sustainability in a business environment.

Figure 1: BW Epic Kosan's sustainability governance structure
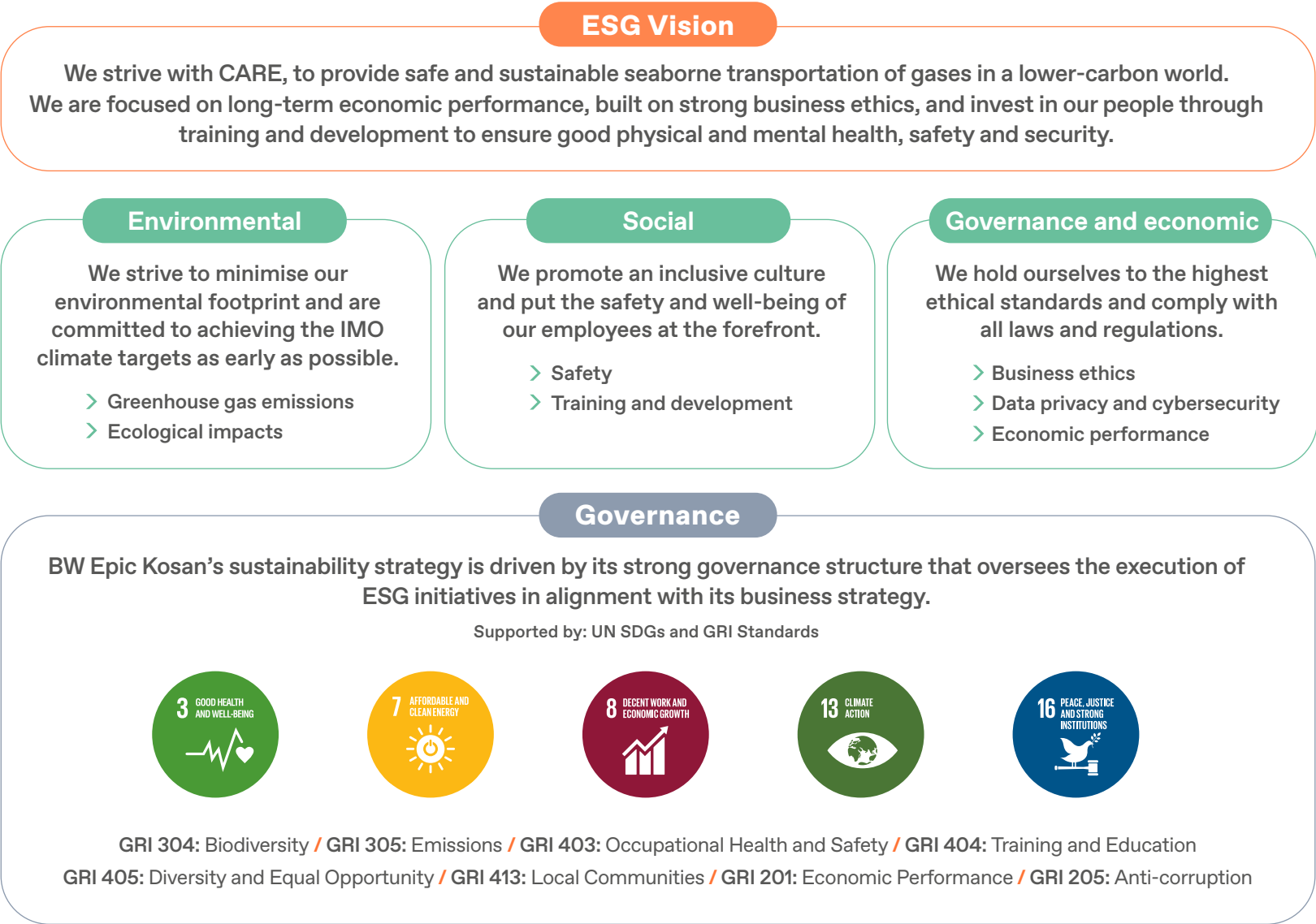

Board of Directors

Audit Committee

Management

ESG Team

| Finance and Accounts | Fleet Performance - Emissions & Energy | Technical Fleet Management |
| Purchase | Commercial - Chartering and Operations | Human Resources |

2.1

Government Structure and Strategy (cont.)

Figure 2: BW Epic Kosan's sustainability framework

ESG Vision

We strive with CARE, to provide safe and sustainable seaborne transportation of gases in a lower-carbon world. We are focused on long-term economic performance, built on strong business ethics, and invest in our people through training and development to ensure good physical and mental health, safety and security.

Environmental

We strive to minimise our environmental footprint and are committed to achieving the IMO climate targets as early as possible.

> Greenhouse gas emissions
> Ecological impacts

Social

We promote an inclusive culture and put the safety and well-being of our employees at the forefront.

> Safety
> Training and development

Governance and economic

We hold ourselves to the highest ethical standards and comply with all laws and regulations.

> Business ethics
> Data privacy and cybersecurity
> Economic performance

Governance

BW Epic Kosan's sustainability strategy is driven by its strong governance structure that oversees the execution of ESG initiatives in alignment with its business strategy.

Supported by: UN SDGs and GRI Standards

GRI 304: Biodiversity / GRI 305: Emissions / GRI 403: Occupational Health and Safety / GRI 404: Training and Education
GRI 405: Diversity and Equal Opportunity / GRI 413: Local Communities / GRI 201: Economic Performance / GRI 205: Anti-corruption

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2.2

Materiality Assessment

In FY 2022, BW Epic Kosan held a materiality workshop to identify its material topics.

Why is it important for us to identify our material topics?

We consider that the materiality assessment process serves as a strategic business tool. It enables us to:

- Ensure that the management of sustainability issues is well integrated into BW Epic Kosan's overall business strategy.
- Identify key risks and opportunities in the industry that could significantly impact our ability to create value in the long term and safeguard the interest of our stakeholders.
- Address the most pertinent and pressing concerns of our stakeholders, while also considering the specific needs of our business.
- Develop our long-term sustainability roadmap.

Our approach to materiality assessment

We have undertaken the materiality assessment using a three- step approach:

1

Identify

We have identified relevant ESG topics by considering their relevance and significance to BW Epic Kosan as well as potential risks and opportunities in the maritime industry.

2

Prioritise

This was followed by a process of prioritisation, in which we have considered the shortlisted ESG topics' impact on the business as well as their ability to influence stakeholder assessments and decisions (Figure 3).

3

Endorse

Finally, the Management has endorsed the ESG material topics. Out of the nine topics, BW Epic Kosan has identified seven ESG topics as material to our business (Table 1) and we have articulated how we are managing each of the topics in the relevant sections of this report. The GRI Standards guided this complete process in connection with the materiality principle.

2.2

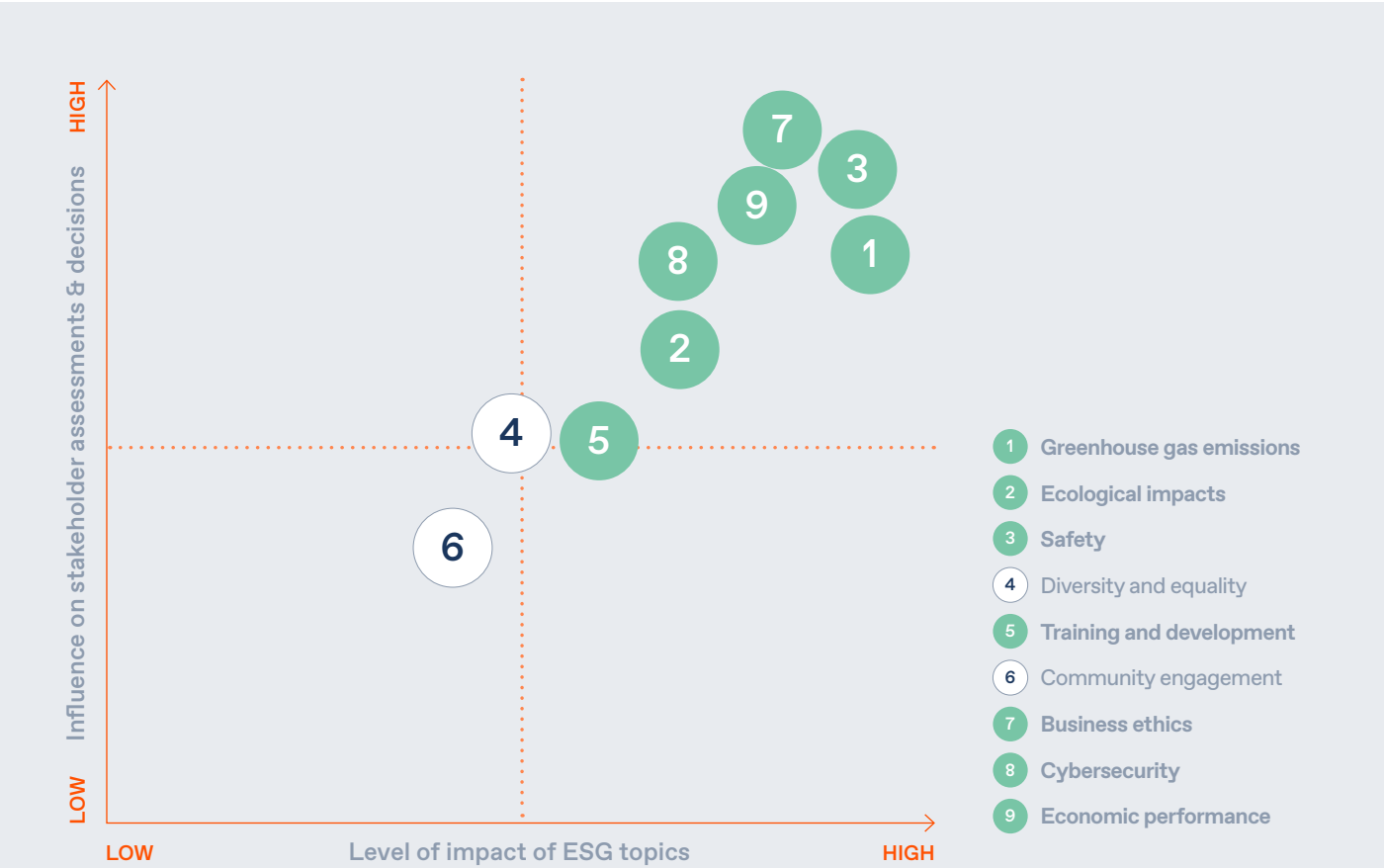# Materiality Assessment (cont.)

Figure 3: Prioritisation of BW Epic Kosan's ESG topics during the materiality workshop. The topics listed in Table 1 are represented by the numbered green circles on the materiality matrix.

Table 1
Read more about our material topics

Environmental

1 Greenhouse gas emissions *(Section 3.1)*

2 Ecological impacts *(Section 3.2)*

Social

3 Safety *(Section 4.1)*

5 Training and development *(Section 4.2)*

Economic and governance

7 Business ethics *(Section 5.1)*

8 Cybersecurity *(Section 5.2)*

9 Economic performance *(Section 6.1)*

1 Greenhouse gas emissions
2 Ecological impacts
3 Safety
4 Diversity and equality
5 Training and development
6 Community engagement
7 Business ethics
8 Cybersecurity
9 Economic performance

2.2

Materiality Assessment (cont.)

The UN SDGs represent an unprecedented opportunity to put the world on a sustainable path and we are increasingly integrating the underlying guidance into our decision-making and investment processes.

While we support all 17 SDGs, we believe that our actions will have the most significant impact on the following five SDGs. Table 2, overleaf, shows how we have mapped our material topics to these five UN SDGs.

GOAL 3
Good health and well-being

We commit to improving the health and well-being of all our people by actively promoting and providing access, guidance and support to health-focused lifestyle changes, and quality healthcare.
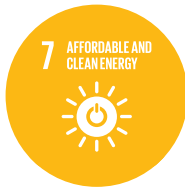
GOAL 7
Affordable and clean energy

We will join hands with stakeholders and relevant national and international bodies to help promote the use of LPG as a clean and affordable energy, while pursuing energy efficiency in our business operations.
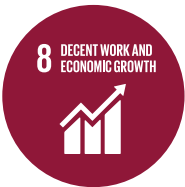
GOAL 8
Decent work and economic growth

We are committed to promoting safe and secure working environments and providing productive employment to a diverse workforce with equal pay for work of equal value.

GOAL 13
Climate action

We aim to actively reduce our carbon footprint by integrating climate change measures and green initiatives into our strategies, policies, planning and operations, while raising awareness on the impact of climate change within our community.

GOAL 16
Peace, justice and strong institutions

We are committed to eradicating corruption and bribery from all our operations, and always providing transparent reporting and accounting in line with international and industry standards.

2.2
Materiality Assessment (cont.)

Table 2: BW Epic Kosan's reported topics for FY 2024 aligned to GRI Topic Standards and UN SDGs

Topics reported for FY 2024	GRI Topic Standards	UN SDGs	What they mean
Greenhouse gas emissions	GRI 305 Emissions	Affordable and Clean Energy; Climate Action	Affordable and Clean Energy Climate Action Activities from the maritime sector contribute to global greenhouse gas emissions. There is an urgent need to decarbonise, and we strive to meet IMO targets as soon as possible.
Ecological impacts	GRI 304 Biodiversity		Oil spills and poor ballast water management can have substantial and long-term adverse effects on ecosystems. Hence, we implement measures to prevent incidents and to avoid, reduce or mitigate any direct impacts.
Safety	GRI 403 Occupational Health and Safety	Good Health and Well-Being; Decent Work and Economic Growth	There are inherent safety and security hazards associated with maritime operations that must be properly handled to protect our crew and the fleet. As such, we continue to strive for zero harm.
Training and development	GRI 404 Training and Education		To remain relevant and up to date with changes in our industry, we must quickly adapt and grow our employees' skills and abilities to address new business challenges. Hence, we continue to prioritise and invest in employee development to ensure BW Epic Kosan's longterm development and success.
Business ethics	GRI 205 Anti-corruption	Peace, Justice and Strong Institutions	We uphold the highest ethical standards and conduct our business in compliance with all applicable laws and regulations. Any non-compliance can result in severe financial penalties and reputational damage.
Cybersecurity	Non-GRI Topic	Peace, Justice and Strong Institutions	Cybersecurity threats in the maritime shipping industry have a huge potential to affect the safety of the crew, vessels and cargo. Failure to handle cyber risks may result in negative impacts on our operations and cause financial consequences for BW Epic Kosan.
Economic performance	GRI 201 Economic Performance	Decent Work and Economic Growth	A strong economic performance is key to building a resilient business. It is important to prioritise the distribution of sustainable economic value to our stakeholders.
Non-material Topic: Diversity and equality	GRI 405 Diversity and Equal Opportunity	Decent Work and Economic Growth	Employees are the driving force behind the success of our business, and it is important to attract and retain the best talent who share our values and business objectives. This can be achieved by building and maintaining a diverse and inclusive workplace environment to enhance employee engagement.
Non-material Topic: Community engagement	GRI 413 Local Communities	Decent Work and Economic Growth	As a socially responsible organisation, we are committed to delivering value for our stakeholders while creating sustained impacts in the communities in which we operate.

2.3

Stakeholder Engagement

Engaging with stakeholders is crucial for BW Epic Kosan.

Understanding and addressing their concerns helps us achieve our sustainability goals. Our stakeholders include individuals, groups, and organizations affected by our business. We have identified seven categories: employees, customers, shareholders, business partners, suppliers, government and industry bodies, and local communities. Table 3 details our engagement methods and the key issues they raised.

Table 3: BW Epic Kosan's stakeholders and stakeholder engagement methods

Stakeholders	Stakeholder engagement methods	Issues raised
Employees	› Quarterly BWEK all-hands town hall › Annual performance appraisals and midyear reviews › Regular manager and employee one-to-one meetings › Employee engagement and bonding sessions › Employee engagement survey	› Business performance › Employee-related issues › Reward and recognition › Q&A › Employee performance goals › BWEK values › Training and development needs › Regular interaction and communication on work-related issues › Areas of concern and creation of intervention
Customers	› Physical meetings, directly or at conferences › Online meetings › Phone › Email and other electronic correspondence › Presentations at meetings / conferences	› General market information › Specific cargo quotes › Project description and exchanges for transportation solutions › Voyage-specific discussions and issues for spot, contracts and time charter vessels › Future requirements for transportation › Regulations and their implications on current and future transportation › Performance feedback and evaluation
Shareholders	› Quarterly Board Meetings and reports, monthly management reports › Annual Report › One-to-one meetings › Conferences › Annual General Meeting	› Sustainability performance › Financial performance › Risks: interest rates, geopolitical market › Market trends: shipping › Strategy and road map
Business partners	› Physical meetings › One-to-one meetings › Online meetings: Phone/ Teams etc › Emails	› Monthly earnings › Strategy / regulations / risks › Market intelligence and direction › Performance › Investment possibilities
Suppliers	› Physical meetings: in / out-of office, conferences, trade fairs › Online meetings: Phone calls / Teams / Zoom etc.	› Commitment to the Anti-Slavery Code of Practice › Compliance with our Supplier Code of Conduct policy › Freight forwarder
Government and industry bodies	› Meetings or conferences › Presentations and guest lectures › Seminars › Trade fairs	› Statutory regulations › Crisis management › Knowledge partnerships › Create new collaborative projects (NoGAPS, CO_2 transportation, NH_3 transportation and use as a fuel in green corridors)
Local communities	› Volunteer programmes › Sporting events › General community activities › Charitable support	› Environmental impacts › Health initiatives › Increase monetary contributions to local charities and non-profit groups

2.4

Memberships and Associations

BW Epic Kosan is a member of, or partners with, the following organisations and associations.

3.0
Environment

3.1

Greenhouse Gas Emissions

BW Epic Kosan is involved in delivering clean energy safely and efficiently.

We are committed to transitioning to a more sustainable energy future by continuing to reduce emissions and improve efficiencies within our organisation.

During the eightieth session of the International Maritime Organization (IMO) Marine Environment Protection Committee (MEPC 80) held in July 2023, a revised 2023 IMO GHG Reduction Strategy was adopted, which includes higher levels of ambition and the following GHG reduction targets:

Target Year	Levels of ambition and indicative checkpoints (as of 2023)
2030 (compared to 2008)	› To reduce CO2 emissions per transport work by at least 40% › To reduce total annual GHG emissions by at least 20% (striving for 30%) › Uptake of zero GHG emission fuels etc. to represent at least 5% of the energy used (striving for 10%)
2040 (compared to 2008)	› To reduce total annual GHG emissions by at least 70% (striving for 80%)
2050	› To reach net-zero GHG emissions by or around 2050 at the latest

BW Epic Kosan is focused on reducing emissions including decarbonisation and achieving these IMO targets as early as possible.

We are moving away from smaller ships and managing our fleet's age by selling older, smaller vessels and investing in newer, larger ones. As a result, our fleet's average vessel size has increased by 8.6%, the age increased by just 0.7 years, and alongside the technological innovations, we have delivered a 10.5% reduction in carbon emissions since the end of 2023.

BW Epic Kosan has implemented a Company-wide Environmental Policy that specifies the commitment to reducing greenhouse gas emissions and improving energy efficiency in operations. This includes:

• maintaining and operating the fleet to high standards,
• investing in technology to minimize environmental impact, and
• monitoring, evaluating, and continually reviewing environmental management performance to ensure effective use of resources.

3.1

Greenhouse Gas Emissions (cont.)

Investments in Technological Innovations

Ultrasonic transducers

Eight vessels are equipped with HASYTEC's Dynamic Biofilm Protection Intelligent ultrasonic transducers to keep their propellers and sea water cooling system free of marine growth and biofouling. This also helps to reduce bunker fuel consumption. We plan to fit these on 10 more vessels in 2025. Each single transducer measures the impact of its installation environment. This includes factors such as the temperature, the material composition and thickness, and the viscosity and temperature of the medium. By leveraging artificial intelligence, the transducer dynamically adjusts the ultrasonic sound waves it generates to adapt to the ever-changing environmental conditions. These transducers produce ultrasonic sound waves which create resonance vibrations in the propeller blades, protecting the blade surface from biofouling. Ultrasonic transducers are also being used to keep sea chests and sea water cooling system clean. Annual bunker savings of approximately 1% are expected for each vessel.

XGIT-Prop coating for propeller

The propeller of four of our vessels were coated with a graphene-based hard fouling-release biocide-free coating which improves the propulsive efficiency and protects the propellers from biofouling. This coating also helps in reducing underwater radiated noise. Expected bunker savings are around 2% per annum per vessel. We plan to coat the propeller of eight more vessels in 2025.

XGIT-Fuel coating for hull

Zero-biocide hard foul-release coating was applied on the hull's vertical side and flat bottom of two of our vessels. The coating makes the hull ultra-low friction reducing the drag through water. These coatings are highly durable, and do not leach any biocides or silicone oils into the sea. The coatings also reduce underwater radiated noise by the vessel. Expected bunker savings are more than 5% per annum per vessel.

CLT propeller with advanced PBCF

3.1

Greenhouse Gas Emissions (cont.)

Investments in Technological Innovations (cont.)

Emerson Frugal SmartPropulsion

One of our controllable pitch propeller (CPP) fitted vessels was retrofitted with Emerson Frugal SmartPropulsion system. The SmartPropulsion integrates with the propulsion control system to regulate the pitch and RPM of the propeller to maintain a constant power or constant speed over ground at the most optimal specific fuel consumption. The dynamic pitch and revolutions per minute (RPM) regulation of the CPP propeller is powered by artificial intelligence for continuous real-time optimisation. Annual saving potential of 7-8% is expected. The plan is to fit this system on two more vessels in 2025.

Frese FUELSAVE

One of our vessels was retrofitted with the Frese FUELSAVE system for the engine cooling water system. This solution uses a combination of variable frequency drive motors for sea water cooling pumps and low temperature fresh water-cooling pumps, with flow control valves. The superior flow management system uses well-proven differential pressure control and balancing, providing a very simple and energy-efficient cooling water system. Expected annual bunker savings are 4-5%. The plan is to fit the system on three more vessels in 2025.

Hull Grooming Robot

Two of our vessels were provided with hull grooming robots from Aliciabots. Both vessels have zero-biocide hard foul-release coatings which need regular grooming to manage biofouling. The robots can be operated by ship staff or by a remote team from Aliciabots. This helps in preventing the increase in fuel consumption due to biofouling and reduces harmful impact on biodiversity in the oceans.

Contracted loaded tip (CLT) propellers with advanced propeller boss cap fins

Two of our vessels were retrofitted with contracted loaded tip (CLT) propellers and advanced propeller boss cap fins (PBCF) to improve the propulsive efficiency. The CLT propeller reduces the tip vortex, and the advanced PBCF reduces the hub vortex downstream of the propeller. Moreover, the under pressure on the suction side caused by a CLT propeller is lower than an equivalent conventional propeller, while the overpressure on the downstream side is much higher. This increases the propeller thrust and the expected bunker savings are 6-7% per annum per vessel. The plan is to fit them on two more vessels in 2025.

Hull Grooming Robot

3.1

Greenhouse Gas Emissions (cont.)

Investments in Technological Innovations (cont.)

Silicone coating

For most of our vessels we use ultra-premium soft-fouling release silicone paints from Hempel. As a result, these vessels experience reduced frictional resistance at sea, reducing fuel consumption and greenhouse gas emissions by approximately 5 to 6%. Furthermore, silicone paint prevents marine organisms from growing on vessel surfaces due to their smooth foul-release surface properties, unlike the toxic chemicals from biocidal paints, which could have adverse impacts on marine life.

High-Frequency Data

We use high-frequency data from IoT sensors fitted on our ships for hull performance management, engine fuel consumption optimisation and for emissions management.

Weather routing and voyage prognoses

Weather routing and voyage optimisation are performed for all our vessels to optimise vessel efficiency. Third-party software is also used by operators and ship staff.

Our FY 2024 performance is highlighted in Table 4. From FY 2023 to FY 2024, the Annual Efficiency Ratio ('AER') reduced by 10% and the Energy Efficiency Operational Indicator ('EEOI') reduced by 8%. This improvement was due several factors: a) reduction of fleet size (sale of vessels <5,000 GT) which resulted in a decrease of total CO2 emissions and increased the average deadweight of fleet, b) improvement in hull performance and main engine specific fuel oil optimisation, c) use of digital tools which improved data quality, and d) increase in sailing profile for core vessels (>5,000 GT) by 3% compared to 2023.

Silicon coating installation

3.1
Greenhouse Gas Emissions (cont.)

Investments in Technological Innovations (cont.)

Table 4: BW Epic Kosan's environmental metrics for FY 2024 vs FY 2023

	Units of measurement	FY2024	FY2023	Percentage change (%) from FY 2023 to FY 2024
Total deadweight tonnage at year end	DWT	317,769	*370,361	-14%
Distance sailed	Nautical miles	2,397,714	*2,503,974	-4%
Transport work	Tonnes – nautical miles	5,167,885,803	* 5,310,495,631	-3%
Transport work	DWT – nautical miles	19,086,944,141	*19,111,855,881	-0.1%
Total CO_2 emissions	Metric tonnes	393,790	*439,849	-10%
Total NO_x emissions	Metric tonnes	9398	10,741	-13%
Total SO_x emissions	Metric tonnes	970	*1,099	-12%
EEOI	gCO2/tonnes – nautical miles	76.20	*82.83	-8%
AER	gCO2/DWT – nautical miles	20.63	*23.01	-10%

* Amended (as reported in the FY 2023 Sustainability Report) to match Class verified data.

3.1
Greenhouse Gas Emissions (cont.)

Investments in Technological Innovations (cont.)

Plan for 2025

We will continue with our strategy of using ultra-premium hull coatings, retrofitting more energy saving and propulsion improvement devices to make our vessels more energy efficient.
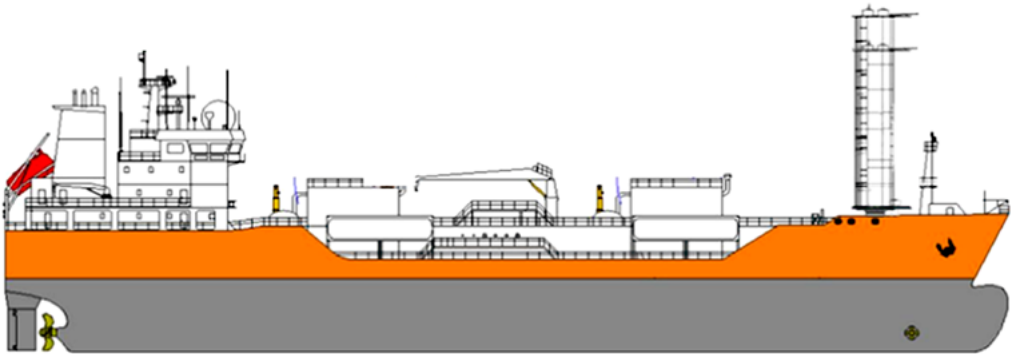
- Ultra-premium coatings.
- Propulsion improvement devices like CLT propeller with PBCF and MEWIS ducts.
- 'Hull grooming' robots.
- Ultrasonic transducer for prevention of biofouling of sea water cooling system and propeller.
- 'Frese FUELSAVE' system.
- 'Emerson Frugal SmartPropulsion' system.
- Wind Assisted Propulsion System - we plan to retrofit a suction sail on one of our vessels. The system is estimated to help the vessel in saving 5-10% of sailing fuel consumption, depending upon expected route.
- Biofuel – we also plan to start using biofuel blends for some vessels.

BW Epic Kosan continues to drive decarbonization efforts in close collaboration with clients and industry partners. Over the past year, opportunities in the Liquid CO2 (LCO2) and green ammonia segments have advanced further, leveraging our in-house technological expertise built on decades of experience in managing complex LPG and petrochemical operations—always with safety at the core.

A major milestone in 2024 was the signing of an MoU with Copenhagen Infrastructure Partners, reinforcing our commitment to developing handy-sized ammonia carriers ranging from 9,000 cbm to 35,000 cbm. These vessels will be equipped with dual-fuel ammonia engines and bunkering capabilities.

Similarly, significant progress has been made in the LCO2 segment, with discussions advancing steadily, as evidenced by our shortlisting for projects across Europe and Asia. These projects will continue to be developed in collaboration with trusted partners throughout the coming year.

Looking ahead to 2025, BW Epic Kosan sees it as a pivotal year to solidify commitments and drive the delivery of transportation solutions in the LCO2 and green ammonia segments—many of which align with key milestones leading up to 2030.

3.2

Ecological Impacts

Maritime transport activities can impact the marine environment through ballast water discharge, accidental spills, and underwater noise pollution.

BW Epic Kosan acknowledges the environmental effects caused by sea transport and shore-based facilities. We adhere to MARPOL and all relevant national and international regulations. The Marine Assurance department ensures that all operations comply with applicable international standards, laws, and regulations. Additionally, training is provided for seafarers to ensure proper crew response in the event of an incident, minimizing any potential negative impact on the environment.

Ballast water management

We adhere to stringent guidelines and contribute to the Ballast Water Management Convention to guarantee the proper treatment and management of ballast water. Our operations consistently align with both national and international regulations governing the use of approved ballast water treatment systems. Compliance with these regulations is necessary to prevent the transfer of harmful aquatic species and associated diseases from one area to another. These regulations aim to protect the environment, ensuring that vessels follow best practices for managing ballast water to minimise the spread of aquatic pests and diseases. This helps protect marine ecosystems and preserve biodiversity.

Oil spills

BW Epic Kosan upholds a stringent policy for the effective management of oil spills. In FY 2024, we recorded zero oil spills into the water, maintaining our spotless record from FY 2023. In full compliance with MARPOL regulations, we meticulously maintain an Oil Record Book for each vessel in our fleet. Additionally, we place a strong emphasis on training our seafarers, equipping them with the necessary skills and knowledge to accurately document and report their activities in the Oil Record Book.

To further strengthen our preparedness, we have robust contingency measures in place, including regular emergency response drills, spill containment strategies, and close coordination with relevant authorities. These proactive measures ensure a swift and effective response in the unlikely event of an oil spill, reinforcing our commitment to environmental responsibility and compliance with international regulations.

Ship recycling

The recycling, end-of-life treatment, and scrapping of vessels can pose environmental risks. BW Epic Kosan adheres to the EU Ship Recycling Regulation, Basel Convention, and Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships (Hong Kong Convention) when a vessel requires recycling. For vessel sales, we ensure responsible recycling in compliance with the Hong Kong Convention. We also require potential buyers and their subsequent buyers to conduct recycling operations at facilities that meet the applicable conventions. In cases of non-compliance, BW Epic Kosan reserves the right to pursue legal action against the buyers.

4.0
Social

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4.1
Safety

With a workforce of almost 1,600 people, our prime responsibility is to provide a safe operating environment.

BW Epic Kosan adheres to the BW Group's Zero Harm policy, aiming for no harm to people, the environment, cargo, and assets. The Company prioritises safety for employees, the environment, assets, and cargo, including the prevention of loss of life and injury. To achieve this, BW Epic Kosan complies with international standards, implements an Integrated Management System ('IMS'), and promotes a safety-focused culture throughout the organisation.

Each BW Epic Kosan vessel has a Safety Committee (Management committee) that meets at least once a month to review the implementation and effectiveness of the Integrated Management System. This ensures compliance with internal safety guidelines and relevant laws and regulations. The Management committee includes senior officers, a Safety Representative, and all crew and officers, including non-duty vessel staff. The monthly meeting is typically held during a manager's inspection, with dates planned to allow attendance by all committee members through rotation.

While the specific meeting agendas may vary, all meetings as a minimum include the discussion of the following items and their action plans:

- Suggestions from crew and officers to improve health and safety performance
- Identification of any new occupational hazards
- Non-conformances, failures and corrective and/or preventive actions planned, and status updates regarding the implementation of corrective and/or preventive actions previously planned
- Vessel security-related aspects at port and at sea
- Updates on the onboard safety training progress
- Condition of galley, food storage facility, vessel's sanitation and health matters

An additional Safety Committee meeting is conducted after the occurrence of an accident or incident to analyse what went wrong and discuss how to prevent its recurrence.

Our health and safety standards comply with these international standards:

- International Safety Management ('ISM') Code
- International Convention for the Prevention of Pollution from Ships ('MARPOL')
- International Convention for the Safety of Life at Sea ('SOLAS')
- International Convention on Maritime Search and Rescue ('SAR')
- Maritime Labour Convention ('MLC')
- Society of International Gas Tanker and Terminal Operators ('SIGTTO')
- International Convention on Standards of Training, Certification and Watchkeeping for Seafarers ('STCW')
- International Convention on the Control of Harmful Anti-fouling Systems on Ships ('AFS')
- The International Convention for the Control and Management of Ships' Ballast Water and Sediments ('BWM Convention')
- International Convention on Civil Liability for Bunker Oil Pollution Damage ('BUNKER')
- International Convention on Salvage ('SALVAGE')
- Convention on the International Regulations for Preventing Collisions at Sea ('COLREGs')
- Convention on Facilitation of International Maritime Traffic ('FAL')
- International Convention on Load Lines ('ICLL')
- International Ship and Port Facility Security Code (ISPS)

4.1

Safety (cont.)

Table 4: BW Epic Kosan's environmental metrics for FY 2024 vs FY 2023

Aspect	Description
Risk assessment	We adopt a systematic approach to determine the potential for harm and make informed decisions regarding risk management strategies. This may include actions such as avoiding the risk, accepting the risk or reducing the risk to ALARP (as low as reasonably possible) level.
Risk reduction and job hazard reduction	We take measures such as improving processes, adding controls and implementing training programmes. We reduce the risk of injury or harm to workers by identifying and eliminating or controlling hazards in the workplace. This can involve making changes to equipment, procedures or the physical work environment, as well as providing personal protective equipment and training to workers.
Daily work planning meeting	We discuss any potential hazards associated with the work to be performed that day and provide workers with important safety information and updates. During the meeting, workers are encouraged to raise any concerns they have about the work they will be performing, and the supervisor can provide additional safety training and review safety procedures.
Toolbox meetings	We hold toolbox meetings for each task planned in the daily work plan meeting. This allows the assigned crew to better understand the risk involved in each task and establish mitigating measures to deal with such risks.
Occupational safety	We identify, evaluate and control workplace hazards in order to provide a safe and healthy work environment for all on board and ashore. This includes measures such as providing personal protective equipment, implementing safe work practices and procedures, and conducting regular safety training and inspections.
Shipboard safety organisation	We establish policies and procedures, and assign responsibilities related to personnel. The shipboard safety organisation includes nominating designated safety officers (chief officer/second engineer), as well as other crew members with specific safety responsibilities.
Management of near misses	We ensure proper management and documentation of near misses. We analyse the cause and contributing factors and implement corrective actions to prevent similar incidents from happening in the future. This includes changes to procedures, equipment or training, as well as improvements to the overall safety management system.
Incident reporting and investigation	For all incidents, we identify their root causes and use the findings of the investigation to develop recommendations for corrective actions to prevent similar incidents from recurring. Any safety breaches are treated with the utmost seriousness. To ensure we uphold the Group's safety standards and prevent underreporting, we will thoroughly investigate each incident to understand the cause and implement mitigating measures. In the event of a breach or incident: 1. The Senior Management and the Emergency Response Team will be notified first. 2. Subsequently, investigations will be undertaken to determine the root cause and establish the severity of the loss. 3. If we have identified a gap in our Integrated Management System, we will formulate an action plan to ensure that future incidence does not occur due to any gaps in our safety practices. In addition, open communication channels for confidential reporting of irregularities and whistleblowing without fear of reprisal and retaliation are available for employees under BW Epic Kosan's Whistleblowing Policy.
Damage control	Damage control procedures include measures to be adopted when evacuating the vessel, controlling the spread of fire, stopping leaks and stabilising the vessel. They also typically involve the coordination with emergency response teams ashore or at sea, ensuring that the necessary resources are available to respond to emergencies.
Emergency management	We ensure the most timely and adequate response to emergencies of varied size and nature, to remove any threat of serious escalation of the situation.

4.1

Safety (cont.)

In FY 2024, BW Epic Kosan recorded the following safety performance. We will continue to closely monitor safety performance. We remain committed to zero harm and driving a strong safety-driven culture within BW Epic Kosan.

Table 6: BW Epic Kosan's safety metrics FY 2024 vs FY 2023

	FY 2024	FY 2023
Total recordable case frequency ('TRCF')[1]	1.40	2.26
Lost time incident rate ('LTIR')[2]	0.27	0.38
Number of serious injuries	2	3
Number of fatalities	0	0

The reduction in the LTIR rate can be attributed to several factors, prompting us to swiftly implement enhanced safety measures. In 2024, we introduced targeted safety campaigns and new procedures to mitigate workplace hazards and create a safer working environment.

To prevent recurrence and further reduce the LTIR rate, we remain committed to ongoing safety initiatives. These efforts include continuous employee training, regular safety drills both onboard and ashore, information sharing with internal and external stakeholders, and the adoption of innovative technologies to strengthen overall workplace safety.

We are confident that these proactive measures will positively impact our safety performance, ensuring a safer and healthier work environment for all employees.

In mid-2022, we launched the Caring Hands programme to support our crew's physical and mental well-being, resilience, and social interaction, enhancing group cohesion onboard. In 2024, we held five crew seminars (four in the Philippines, one in Bulgaria) to engage informally with our crew and foster personal bonding and open dialogue.

The company addresses the physical and psychological wellness of onshore employees by promoting their well-being through various measures, including offering multiple health benefits. In 2022, AIA was engaged to provide an on-site health screening at no cost. In 2024, AIA included a mental wellness component via the White Coat remote screening service for the Singapore office.

Promoting a safety-driven culture

BW Epic Kosan releases Focused Safety Campaigns ('FSCs') every quarter, allowing the fleet to be sensitised towards safety-related issues. During the analysis of the last quarter of 2023, we identified the need to drive a safety campaign toward in-port manoeuvring and pilot interactions, understanding of the SIRE 2.0 programme and subsequent development of inhouse training programmes for our crew. These campaigns were well received by the shipboard crew and active responses were collated to draw out action points.

Our initiatives comprehensively evaluate safety awareness, adherence to procedures, and the safety culture in our fleet. The fleet now shows increased sensitivity to onboard safety protocols. All crew members complete TAKE 5 training with our Learning and Development team before boarding. TAKE 5 is an informal risk management process that assesses tasks to identify and manage hazards. We have observed employees demonstrating knowledge of TAKE 5, participating in toolbox talks, and understanding personal protective equipment requirements.

Our employees also play a critical role in driving a strong safety culture. In this regard, we require all seafarers to:

> Undergo pre-employment medical examinations as stipulated by the Maritime Labour Convention 2006 (Regulation 1.2).
> Attend other safety training, such as Basic and Advanced Training for Liquefied Gas Tanker Cargo Operations, Safe Mooring Course and Ship Safety Officer Course.
> Receive medical first aid and medical care training to ensure emergency response preparedness. This also extends to proficiency in survival craft, rescue boat, and advanced firefighting. Antipiracy training and Electronic Chart Display and Information System ('ECDIS') generic training are mandatory for our newly joined seafarers.

[1] Calculated using (number of lost time injuries + number of restricted work cases + number of medical treatment cases) x 1,000,000 / Exposure hours for all onboard
[2] Calculated using number of lost time injuries x 1,000,000 / Exposure hours for all onboard

4.2
Training and Development

Training for seafarers

In FY 2024, we recorded an average of 20.4 hours per seafarer, compared to 17.1 hours in 2023.

BW Epic Kosan is committed to enhancing the competency and skills of our seafarers by offering a wide range of training programs and courses. These include Cybersecurity, Ship Simulator and Bridge Teamwork for Junior and Senior Deck Officers, Work and Rest Hours Management, Training of Trainers and Assessors in onboard assessment, Engineer Skills Enhancement Course, BWEK Welding Courses (Welding Simulator Course), Welding Course with Assessment for Certificate, Machinery Maintenance Course, and Electrical Course for Marine Engineers.

By focusing on competency development, we aim to make our seafarers more responsible and capable, leading to improved operational performance, safer sailings, and better results in inspections. This new direction underscores our dedication to providing comprehensive training and development opportunities for our seafarers, ensuring they are well-equipped to meet the demands of their roles and contribute to the overall success of our operations.

A. **SIRE 2.0 For Ratings –** this course plays a crucial role in enhancing the competency of the Ratings, which directly contributes to improved vessel operations and better performance during inspections. Additionally, this course fosters a strong sense of safety consciousness among both the ratings and officers, ensuring a safer and more efficient working environment on board.

B. **Safe Mooring Course -** designed to enhance the competency and confidence of both officers and ratings in executing mooring operations safely and efficiently. By providing comprehensive training and practical knowledge, this course ensures that the crew is well-prepared to handle mooring tasks with precision and care. As a result, the implementation of the Safe Mooring course has significantly contributed to reducing incidents and accidents on board our vessels, promoting a safer working environment for everyone involved.

C. **Cybersecurity programme –** covers computer-based training (CBT) and e-learning on our Ocean Learning Platform (OLP). The OLP can be accessed by all crew members onboard as well as ashore using their individual login credentials. It can be accessed on personal devices using Android or iOS operating systems.

D. **Work and Rest Hours Management -** this programme covers:

> Introduction to Maritime Labour Convention (MLC) 2006
> MLC regulations covering the limits of hours of work and rest
> Minimum compliance requirements and interpretations of flag states
> Rest hour planning and record-keeping
> Identifying violation and taking corrective action
> Utilising exceptions permitted by Standards of Training, Certification and Watchkeeping for Seafarers (STCW), flag states and collective bargaining agreements.

E. **Training of Trainers and Assessors in onboard assessment -** this training programme is based on the IMO Model Course 1.30 and the OCIMF/INTERTANKO behavioural-based Competency Assessment and verification for vessel operators. The programme covers the following:

> Conducting and evaluating effectiveness of onboard training
> Competency-based assessment
> Onboard assessment process
> Assessment of behavioural competency

F. **BWEK Welding Courses (Welding Simulator Course):** uses the Augmented Reality Welding Simulator with a tailored course designed to enhance the skills of Engineers.

G. **Welding Course with Assessment for Certificate -** is an actual Shielded Metal Arc Welding (SMAW) and Oxy-Acetylene Course with Assessment for National Certification.

F. **Machinery Maintenance Course -** involves detailed overhauling procedures of various machinery on board.

H. **Electrical Course for Marine Engineers –** a comprehensive training course that provides in-depth technical know-how of the maintenance and troubleshooting of the electrical system.

4.2
Training and Development (cont.)

Cadet Bridging Programme - in January 2024, five Licensed Mechanical Engineers started the Bridging Programme sponsored by IMEC. They had completed the programme in November 2025. These five cadets are now processing their embarkation to commence their cadet shipboard training. Likewise, we have hired 18 Mechanical Engineers to undergo the same programme starting February 2025. This time, BWEK will finance this project under the 'Study Now Pay Later' programme.

In addition, we provide a specialised welding course for seafarers, recognising the crucial role maritime welders play in vessel-building and repair. Given the inherent risks associated with welding, it is essential for seafarers to undergo this training to mitigate basic hazards. The course leverages an augmented reality welding simulator to enhance engineers' skills. This technology offers several advantages over traditional methods, including reducing the time required to educate users on welding procedures and techniques. Moreover, by providing instant feedback, it helps quickly correct errors, reinforce good practices, and accelerate skill development before actual live welding. Consequently, our new welding operators experience a shorter learning curve, ensuring they are well-prepared for their tasks.

Training for onshore staff

We also continue to build upon onshore employees' skills and capabilities to help them remain up to date with the latest sectoral developments.

In April 2024, BWEK migrated to an online platform to track on-boarding of new hires and solicit their feedback on the 7th, 30th, 60th and 90th day. This allows the Company to adjust and further fine-tune the on-boarding program. An exit interview for voluntary separation employees will be organised through the same on-line platform.

In July 2023, we introduced a comprehensive Competency Framework in various phases to provide a structure and procedures aimed at enabling and supporting our employees' success in their job roles. Collaboratively, our managers identified four core competencies required for all job roles and determined a competency level for each. Following this, they completed the assessment for all job holders. The Competency Framework was officially rolled out to all employees in December 2023, during which time each employee's proficiency in the four core competencies was evaluated. This evaluation facilitates the provision of targeted training and development, coaching, and project opportunities to address and bridge competency gaps.

We have a transparent performance appraisal system to aid career progression. This improves communication between supervisors and employees on expectations and boosts performance. We conduct two annual appraisals for discussing performance, key indicators, and development plans.

4.3

Diversity and Equality

At BW Epic Kosan, we acknowledge and value the diverse skill sets and perspectives that enhance our competitive advantage.

We comply with all applicable laws and regulations, and our human resources policies regarding recruitment, training, and performance appraisal are regularly reviewed by Management.

We practice merit-based hiring and do not discriminate based on race, gender, age, religion, sexual orientation, nationality, disability, political affiliation, or any other legally protected characteristic. We are committed to continually enhancing our workplace culture to ensure all employees are treated fairly and with respect.

We recognise the industry challenges in attracting female talent to maritime trade, such as cultural barriers, lack of awareness about women at sea, and slow policy development. To tackle these, we launched a Female-Cadet Programme in 2022 aimed at increasing the number of female seafarers over five years. Cadets must complete an approved maritime course and pass our recruitment process for cadetship training. Once hired, they undergo in-house training, an induction programme, and pre-embarkation training. They join as deck or engine cadets for two contracts to complete the 12-month cadetship training prior to their officer qualification examinations. BWEK will support and monitor each cadet's career progression until they become a Master or Chief Engineer.

At year end, we had a total of 52 female seafarers, including 25 deck and 12 engine cadets. This represents 3.3% of our total pool of seafarers, in compliance with a KPI for sustainability-linked loans.

Across BW Epic Kosan, we have a 38% to 62% ratio of female to male employees ashore, and a 6% to 94% ratio if we include all our seafarers. Approximately 12% of our employees are aged over 50, with the largest proportion (54%) aged 30 to 50 years. Our employee diversity profile across gender and age is highlighted in Table 7.

Table 7: BW Epic Kosan's diversity metrics FY 2024 vs FY 2023

Total Employees		Nationalities represented		Age (<30 years)		Age (30-50 years)		Age (>50 years)	
2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
1,761	1,884	25	27	34%	33%	54%	55%	12%	12%

Senior management gender split		Board gender split		Onshore gender split	
2024	2023	2024	2023	2024	2023
40%-60%	40%-60%	0%-100%	17%-83%	38%-62%	36%-64%
(female-male)		(female-male)		(female-male)	

4.3

Diversity and Equality (cont.)

Onshore employees

To address any form of discrimination and unfair treatment, a Grievance Policy is in place for all employees to raise complaints to Management confidentially and without fear of retaliation. Employees should first raise their concerns with their Supervisors, Section Heads, and Heads of Department. If grievances are not resolved at that stage, an appeal should be submitted to the Human Resources Manager for review, who will then consult the Chief Executive Officer for further action and provide advice accordingly. This procedure includes workplace improvement suggestions and, if necessary, extends to disciplinary action. BW Epic Kosan treats every complaint with seriousness and will handle all complaints promptly, fairly, and transparently.

Seafarers

Our Fleet Regulations provide comprehensive guidelines on the conduct expected of vessel employees and the procedures for lodging complaints while on board. Seafarers are encouraged to follow the detailed complaints procedures outlined in the Fleet Regulations to address any issues. Additionally, they may reach out to any managers within the Technical Department, including the Head of Technical Department, if their concerns remain unresolved on board. All seafarers are protected under collective bargaining agreements with the Singapore Maritime Officers' Union (SMOU), the Singapore Organisation of Seamen (SOS), and PNO-IBF.

We have a few additional elements for our female cadets where we discuss possible situations they may encounter onboard and how best to deal with them. We also conduct weekly one-on-one video calls with them to ensure their continued wellbeing.

All our crew has access to mental health support through ISWAN programme and a designated psychologist in the Philippines. This is 24/7 and free of cost to the seafarer.

4.4

Community Engagement

Guided by our commitment to effect positive change, BW Epic Kosan and our leadership team are dedicated to supporting our communities through various initiatives, including development programmes, community engagement, and financial contributions.

In 2024, BWEK has planned and supported various social initiatives - The Singapore Office contributed to the Maritime One Scholarship and Bursary through a corporate sponsorship, aimed at expanding the talent pool for the maritime sector by participating in the Singapore Maritime Foundation City Cycle in April 2024. In the same month, Team Singapore participated in The Care Bears Rainbow Eco Walk, which collectively led to the planting of 2,000 trees. In July, they collaborated with Ocean Purpose Project for a beach clean-up. In September, the Singapore Commercial Team supported the Gibson's Impact Challenge, a charity event to raise funds for the School of Hope in Kawangware, Nairobi. Team Singapore concluded the year with employee donations to Sree Narayana Mission, an old folk's home, during the Christmas period.

The Copenhagen Office participated in the Danske Rederiers Fodboldklub (DRB) - football club of Danish Shipping, Summer Cup in June 2024, contributing a total of DKK12,500 towards the participation fee, with all proceeds going to the DRB voluntary works. In August, they took part in The Kastel Run, a 5 to 10km walk/run, where proceeds benefited Danish Military Veterans and their relatives.

Meanwhile, Team Manila has supported two scholars under the "Building a World of Education and Kindness Scholarship Programme" starting in July 2024. In addition to this, a team conducted a trip to Butuan and to Bacolod where maritime career opportunities were introduced to the senior high schools. Both areas are known to be underprivileged and poor areas of the Philippines. In August, the staff participated in a Blood Letting Project with Red Cross Makati and collaborated with the Department of Social Welfare and Development to pack relief goods for the victims of Typhoon Kristine.

The BWEK All-Hands Townhall, introduced in early 2023, is held quarterly for all onshore employees. It serves as a structured and timely communication platform for delivering updates on BWEK's strategic focus and latest developments, while also celebrating its successes. During these sessions, Senior Management presents key highlights, achievements, and areas of strategic focus. Additionally, the winners of the quarterly awards for outstanding performance are announced. Senior Management also addresses questions posed by employees. The Townhall concludes with a quiz session.

5.0
Governance

5.1

Business Ethics

BW Epic Kosan is dedicated to upholding the highest standards of corporate governance. Our Company emphasises transparency and accountability in all business operations.

We conduct our activities with responsibility, adhering to the utmost ethical and integrity standards. This commitment extends to our suppliers, contractors, and business partners. We believe that robust governance is crucial for long-term value creation.

To achieve this, BW Epic Kosan has established policies and processes to ensure accountability to all stakeholders. Unethical or illegal activities are not tolerated, and we strictly comply with prevailing laws and regulations. Moreover, BW Epic Kosan is a member of the Maritime Anti-Corruption Network (MACN), a global business network working towards a corruption-free maritime industry, enabling fair trade for the benefit of society at large.

We have zero tolerance for bribery, corruption, anti-competitive behaviour, or human rights violations, including forced or child labour. We support the United Nations Universal Declaration of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. Our Code of Conduct, which applies to all employees, including those at subsidiaries and affiliates, mandates adherence to the highest standards of business and personal ethics. Onshore employees and seafarers must acknowledge and understand our Code of Conduct before commencing employment and attend relevant training sessions. Additionally, we require our suppliers to adhere to our Supplier Code of Conduct, which stipulates our minimum standards concerning human rights, health and safety, environment, and business conduct.

Whistleblowing Policy

Our Whistleblowing Policy provides a secure and confidential channel for onshore employees and seafarers to report concerns or suspected cases of malpractice, unethical behaviour, or illegal activities without fear of retaliation. Reports can be made directly to an employee's immediate supervisor or the Human Resources department.

Alternatively, concerns may be escalated to the Chief Executive Officer. In cases where reporting to management is deemed inappropriate, employees can directly approach the Chairman of the Audit Committee or the Chairman of the Board. The Audit Committee reviews all whistleblowing reports and ensures that necessary investigations and follow-up actions are conducted.

This policy also extends to our suppliers, reinforcing our commitment to integrity and ethical business practices across our operations. We utilise EthicsPoint, an online platform where employees can anonymously report their concerns regarding possible breaches of ethics or standards of professional conduct. There were no whistleblowing cases in 2024. We successfully maintained zero confirmed instances of non-compliance with relevant national and international laws and regulations.

5.2

Cybersecurity

The maritime sector is experiencing digital transformation, which increases infrastructure exposure to cyber vulnerabilities and threats.

Addressing these threats is necessary to avoid potential operational disruptions and financial consequences for BW Epic Kosan. Additionally, it could prevent damage, loss, or compromise of information and systems, which may lead to failures in operational, safety, security aspects of vessel operations, and breaches of customer data privacy.

BW Epic Kosan endorses the resolution made by the Maritime Safety Committee (MSC), acknowledging the importance of raising awareness of cyber risk threats and vulnerabilities to maintain safe and secure vessels that are resilient to cyber risks. The MSC emphasises that an approved safety management system should incorporate cyber risk management in alignment with the objectives and functional requirements of the ISM Code.

To address cybersecurity issues, BW Epic Kosan has implemented a Cybersecurity Policy to protect information assets from internal and external threats, whether intentional or unintentional. The Company continually seeks innovative and robust IT architecture solutions, with regular reviews and monitoring. Recognizing the role of staff in building cybersecurity resilience, all employees are required to attend an annual cybersecurity-cyber wellness training session.

Onshore employees

We train our employees on information security and privacy awareness using uSecure, a third-party Learning Management System (LMS). This online service includes several cybersecurity modules with short videos and questionnaires. Employees receive certificates via email upon completing each module. The system assigns modules automatically, monitoring progress, and enrols employees in new courses every three weeks.

In FY 2024, all onshore employees were trained on topics like phishing, ransomware, data leaks, password vulnerability, viruses, and multi-factor authentication.

Additionally, we conduct regular phishing awareness exercises. The IT department sends test phishing emails to employees, covering scenarios such as credential harvest, malware attachments, and drive-by URLs.

5.2

Cybersecurity (cont.)

Seafarers

All seafarers must complete cybersecurity modules via the fleet's Ocean Learning Platform (OLP). Training objectives include:

> **Awareness:** highlighting the importance of cybersecurity and the impact of breaches.
> **Understanding threats:** identifying types of cyber threats like phishing and malware.
> **Safe practices:** teaching secure technology use, such as strong passwords and avoiding suspicious links.
> **Reporting procedures:** instructing on identifying and reporting security incidents.
> **Responsibility:** emphasising each employee's role in cyber protection.
> **Continuous education:** providing ongoing updates on new threats and best practices.
> **Personal protective measures:** advising on protecting personal information and devices.
> **Incident response:** training on how to handle a security breach or cyber-attack and reporting appropriately.

Cyber-attack / Data breach

There were no cyber-attacks, significant compromises and/or reportable data privacy breaches in 2024.

Motion sensors

BW Epic Kosan's Copenhagen office has security cameras with motion sensors that automatically start recording if motion is detected after hours or during public holidays. Both the Copenhagen office and BW Epic Kosan's headquarters in Singapore use motion sensors to control lighting, turning off lights after a period of inactivity to save electricity.

Compliance

BW Epic Kosan is certified ISO 27001:2013 for its Information Security Management System ('ISMS'). Annual internal and external audits are conducted to check the compliance of the Company with ISO (International Organization for Standardization) standards.

Vulnerability Assessment and Penetration Testing

We introduced a new cloud-based automated VAPT solution (Intruder.io) in 2024. Scheduled scans are performed on all critical servers with over 200,00 checks, with the list of checks growing every day with emerging threats.

6.0
Economic Performance

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6.1

Economic Performance

In FY 2024, BW Epic Kosan recorded a revenue of US$323.8 million, compared to US$340.5 million in FY 2023. BW Epic Kosan's net profit in FY 2024 increased to US$79.4 million, up from US$48.8 million in FY 2023.

Table 8 highlights our key economic performance. BW Epic Kosan endeavours to keep delivering long-term value to all our stakeholders.

Table 8: BW Epic Kosan's economic performance FY 2024 vs FY 2023 (audited accounts)

Income Statement (US$ M)	FY 2024	FY 2023
Revenue	323.8	340.5
Other income	3.9	2.9
Other gains/(losses)	9.6	4.8
Expenses		
-Brokerage commissions	(5.9)	(6.5)
-Voyage expenses	(37.5)	(58.0)
-Bareboat charter hire expenses	-	(0.2)
-Time charter hire expenses	(10.2)	(12.2)
-Vessel operating expenses	(91.9)	(101.2)
-General and administrative expenses	(30.7)	(30.4)
-Finance expenses	(16.7)	(22.4)
-Depreciation	(64.2)	(68.0)
-Impairment loss on vessels	-	-
Total expenses	(257.2)	(298.8)
Profit before income tax	80.1	49.5
Income tax (expense)/credit	(0.8)	(0.7)
Profit for the year	79.4	48.8
Other comprehensive income	(5.0)	(3.8)
Total comprehensive income	74.4	45.0

7.0

Appendix

7.0
Appendix

7.1
GRI Content Index

BW Epic Kosan has reported the information cited in this GRI content index for the period from 1 January 2024 to 31 December 2024 with reference to the GRI Standards.

GRI Standard	Disclosure		Page reference
GRI 2: General Disclosures 2021	2–1	Organisational details	4
	2–2	Entities included in the organisation's sustainability reporting	4
	2–3	Reporting period, frequency and contact point	4
	2–4	Restatements of information	N/A
	2–5	External assurance	N/A
	2–6	Activities, value chain and other business relationships	4
	2–7	Employees	26-32
	2–8	Workers who are not employees	We may consider disclosing this number in future years.
	2–9	Governance structure and composition	9
	2-10	Nomination and selection of the highest governance body	Board Responsibility - 9
	2-11	Chair of the highest governance body	BWEK Leadership
	2-12	Role of the highest governance body in overseeing the management of impacts	9–10, 11–12
	2-13	Delegation of responsibility for managing impacts	9–10
	2-14	Role of the highest governance body in sustainability reporting	9–10, 11–12
	2-15	Conflicts of interest	BW Epic Kosan, Code of Conduct (Conflict of Interest)
	2-16	Communication of critical concerns	32
	2-17	Collective knowledge of the highest governance body	9
	2-18	Evaluation of the performance of the highest governance body	Remuneration Committee – Terms of Reference

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GRI Content Index (cont.)

GRI Standard	Disclosure		Page reference
GRI 2: General Disclosures 2021	2–19	Remuneration policies	Remuneration Committee – Terms of Reference
	2–20	Process to determine remuneration	Remuneration Committee – Terms of Reference
	2–21	Annual total compensation ratio	Due to the nature of the industry we are in, and the composition of our total workforce, we may consider disclosing it in future years.
	2–22	Statement on sustainable development strategy	5–6
	2-23	Policy commitments	32, 35
	2-24	Embedding policy commitments	32, 35
	2-25	Processes to remediate negative impacts	32
	2-26	Mechanisms for seeking advice and raising concerns	35
	2-27	Compliance with laws and regulations	35
	2-28	Membership associations	16
	2-29	Approach to stakeholder engagement	15
	2-30	Collective bargaining agreements	32
GRI 3: Material Topics	3-1	Process to determine material topics	11–12
	3-2	List of material topics	12

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GRI Content Index (cont.)

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GRI Standard	Disclosure		Page reference
Greenhouse Gas Emissions			
GRI 3: Material Topics	3-3	Management of material topics	18-21, 23
GRI 305: Emissions	305–1	Direct (Scope 1) GHG emissions	22
	305–7	Nitrogen oxides (NOx), Sulphur oxides (SOx), and other significant air emissions	22
Ecological Impacts			
GRI 3: Material Topics	3-3	Management of material topics	24
GRI 304: Biodiversity	304-2	Significant impact of activities, products and services on biodiversity	24
Safety			
GRI 3: Material Topics	3-3	Management of material topics	26-28
GRI 403: Occupational Health and Safety	403-9	Work-related injuries	28
Training and Developement			
GRI 3: Material Topics	3-3	Management of material topics	29-30
GRI 404: Training and Education	401-1	Average hours of training per year per employee	29-30
	404-2	Programmes for upgrading employee skills and transition assistance programmes	29-30
Diversity and Equality			
GRI 3: Material Topics	3-3	Management of material topics	31-32
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governmance bodies and employees	31-32

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GRI Content Index (cont.)

GRI Standard	Disclosure		Page reference
Community Engagement			
GRI 3: Material Topics	3-3	Management of material topics	33
GRI 413: Local Communities	413-1	Operations with local community engagement, impact assessments, and development programmes	33
Business Ethics			
GRI 3: Material Topics	3-3	Management of material topics	35
GRI 205: Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	35
Cybersecurity (non-GRI Topic)			
GRI 3: Material Topics	3-3	Management of material topics	36-37
Economic Performance			
GRI 3: Material Topics	3-3	Management of material topics	39
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	39

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